Reserve Bank of India (RBI) had allotted 79 rural and semi-urban centres to United Bank of India for opening branches in the North-Eastern Region. The bank has opened offices at 65 centres. Thus, it would not be correct to state that United Bank of India has failed to open branches in the North Eastern Region. The reason for delay of opening branches at the allotted centres has been lack of basic infrastructural facilities. In addition, in Manipur the security aspect has also been a constraint in opening branches. RBI has advised the Bank to approach the State Government for providing necessary infrastructural facilites. The validity period of the pending licences has been extended upto 31st March, 1993 to enable the banks to open branches at the allotted centres.

**Functioning of United Bank of India, Guwahati**

3226. SHRI DAVID LEDGER: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the zonal office of the United Bank of India at Guwahati has failed to fulill its objectives due to the apathetic attitude of the Banks Headquarters at Calcutta as a result of which the industrial relations of the bank are suffering; and

(b) if so, what steps are being taken to improve the situation and restore the credibility of the bank and the confidence of the employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Information is being collected, and to the extent available, will be laid on the Table of the House.

**World Bank Assistance for Health and Education Programmes**

3227. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are in the process of finalising a Rs. 500 crore aid from the World Bank under the social safety net programme for several health and education programme; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Yes, Sir.

Recently a credit for $ 500 million has been negotiated with the World Bank for the Social Safety Net Programme. The main areas covered by the programme are:—

(i) Primary education

(ii) Primary health care

(iii) Disease Control and Nutrition

(iv) National Renewal Fund (NRF) for workers affected by Industrial restructuring.

**Offer of Credit by Germany**

3228. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the German Government has offered a credit of Rs. 150 crores at a very low rate of interest with repayment to be made over 50 years and a 10 year moratorium; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) A Financial Cooperation Agreement providing DM 427.304 million (approx. Rs. 683.69 crores) for the year 1992 has

been signed between the Government of Federal Republic of Germany and the Government of India on 12.10.92. This amount comprises a soft loan of DM 296.604 million (approx. Rs. 474.57 crores), grant assistance of DM 55.7 million (approx. Rs. 89.12 crores) and export credit of DM 75.0 million (approx. Rs. 120 crores). Soft loan will be provided at the interest rate of 0.75% per annum with the repayment period of 40 years including 10 years moratorium.

(b) The above mentioned soft loan would be utilised for import of fertilizers, assistance to financial institutions, for Uran-III project of Maharashtra State Electricity Board, to meet the increased costs of Neyveli Project and for the National Renewal Fund.

**Illegal Import of Cars**

3229. SHRI GAYA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Economic Intelligence Bureau and the Directorate of Revenue Intelligence have reported that four prominent firms dealing in cars from Delhi, Calcutta and Bombay are indulging in illegal import of cars;

(b) if so, the details thereof;

(c) whether on account such illegal import Government are posing revenue of about Rs. 200 crores annually;

(d) if so, the details thereof; and

(e) what action has been taken against the firms indulging in illegal import of cars?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (e) The information is being collected and will be laid on the Table of the House.

**Tax Conference by Assocham**

3230. SHRI PASUMPON THA. KIRUTTINAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the ASSOCHAM had organised a Tax Conference in cooperation with the International Fiscal Association (IFA);

(b) if so, what are the suggestions made to Government by this conference;

(c) whether any decision has been taken on these suggestions; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR):(a) Yes, Sir.

(b) The suggestions made by the conference as such, have not been sent to the Government. ASSOCHAM has, however, sent to the Government a pre-Budget Memorandum which does incorporate, it is understood, some of the suggestions made during the conference. These suggestions, incorporated in the pre-Budget Memorandum, are not separately identifiable and, in fact, represent the requests made by the ASSOCHAM.

(c) and (d) The suggestions in the siad Memorandum are under the consideration of the Government.

**Financial Position of Indian Corporate Sector**

3231. SHRI SHIV PRATAP MISHRA: Will the Minister of FINANCE be pleased to state:

(a) what is the present financial position of the Indian Corporate Sector;

(b) whether it needs mobilisation of funds from the capital markets during the Eighth Five Year Plan period to meet investment requirements; and

(c) if so, what are the details thereof and steps being taken in this regard?